



Briefing Before the Task Force to Study Group Home Education and Placement Practices

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**Annapolis, Maryland
December 10, 2007**

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Maryland Certificate of Need Program

- **What requires a CON?**
- **What is the process for obtaining a CON?**
- **What are key trends in the types of projects reviewed?**

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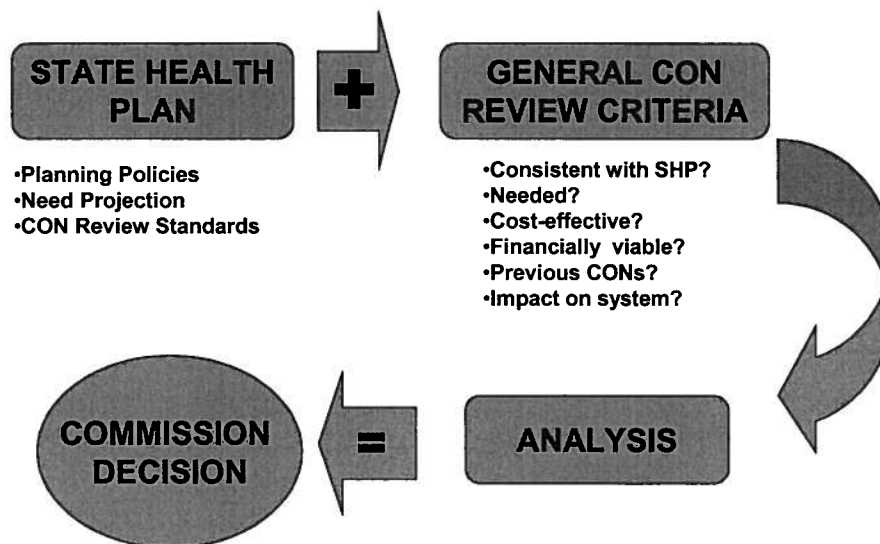
What Requires a Certificate of Need?

A CON is required:

- Before a new health care facility/service is built, developed, or established:
 - Hospitals
 - Nursing homes
 - Ambulatory surgical facilities (2 or more ORs)
 - Residential treatment centers
 - Intermediate care facilities (substance abuse/DDA)
 - Home health (Medicare-certified)
 - Hospice agencies
- For certain patient-care related capital expenditure projects (e.g., construction, renovation) that involve a health care facility.
 - Current capital expenditure threshold = \$10,100,000 (Hospitals) and \$5,050,000 (All Other Facilities)
- Before a new, highly specialized service is developed by a hospital:
 - Open Heart Surgery
 - Organ Transplant Surgery
 - Neonatal Intensive Care
 - Burn Care

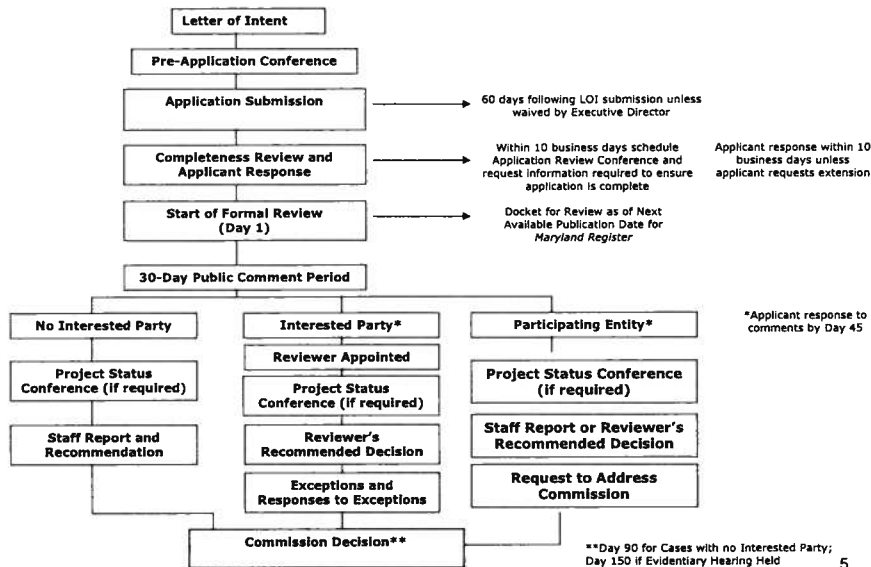
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Overview: CON Review Process



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Steps in CON Review



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Key Trends in Health Care Facility Projects

Acute Care Hospitals

- > Replacement Hospital Facilities
- > Other Large Capital Projects Involving Combination of the Following:
 - Emergency Departments
 - Increased Number of Treatment Beds
 - Observation/Admission Units
 - Operating Rooms
 - Increased Number of Operating Rooms
 - Larger Operating Rooms
 - Bed Capacity
 - Increased Number of ICU and Medical-Surgical Beds
 - Private Rooms
 - New Services
 - Rehabilitation
 - Obstetrics

Nursing Homes

- > Bed Capacity
 - Replacement Nursing Home Facilities
 - Private Rooms
 - Redevelopment of Off-Line Capacity

Ambulatory Surgery Facilities

- > Surgical Capacity
 - Increased Number of Operating Rooms
 - Hospital-Affiliated FASF

Specialized Health Care Services

- > New Services
 - Primary and Elective Angioplasty (Waiver Process)
 - NICU

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Participation in the Review Process

■ Interested Parties

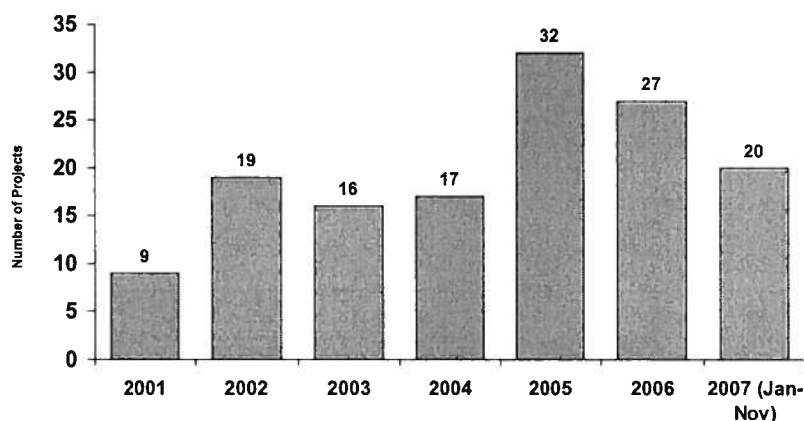
- Must be officially recognized by a Commissioner Reviewer
- Automatic interested parties:
 - ✓ Applicant
 - ✓ Commission staff
 - ✓ Local health department in jurisdiction or applicable planning region of project
- Others who may qualify as interested parties:
 - ✓ Third party payors demonstrating "substantial negative impact on overall cost to the health care system if the project is approved"
 - ✓ Persons demonstrating "adverse affect" by approval of project in an issue area over which Commission has jurisdiction

■ Participating Entities

- Must be officially recognized by the Executive Director
- Limited to:
 - ✓ A third-party payor
 - ✓ A jurisdiction in the health planning region where the project is located that is used for purposes of determining need under the SHP
 - ✓ A municipality where the proposed project will be located

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Number of Certificate of Need Projects: Maryland, 2001-2007

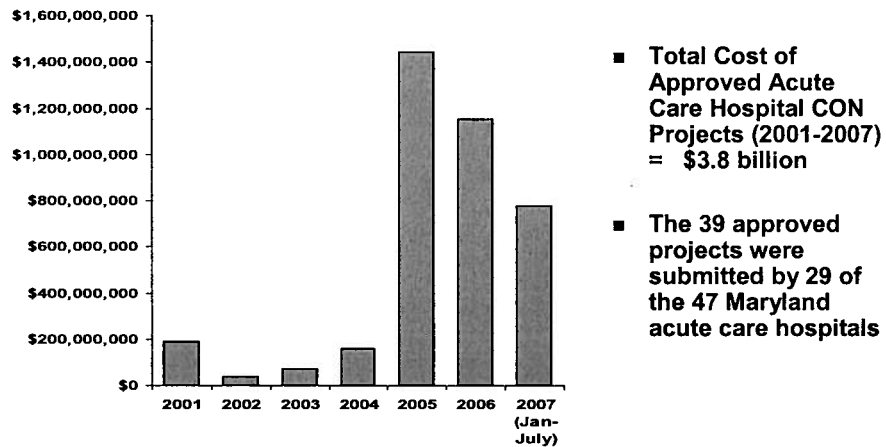


Source: Maryland Health Care Commission [Data reported includes the following: projects approved (new and modified CON projects); projects denied; and projects relinquished, returned, revoked, and withdrawn or vacated. The reporting period refers to calendar years.]

Note: Data reported for 2006 excludes 11 Primary PCI waiver applications acted on by the Commission. Data for 2007 excludes 13 Primary PCI waiver applications acted on by the Commission.

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Total Cost of Approved Acute Care Hospital CON Projects: Maryland, 2001-2007



Source: Maryland Health Care Commission

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For Additional Information:

<http://mhcc.maryland.gov/certificateofneed/index.aspx>

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